

EXHIBIT 8
(HEALTH INSURANCE PORTABILITY ACCOUNTABILITY ACT (HIPAA)
REMEDICATION)
OF
FIRST CONTRACT AMENDMENT
Number

This Exhibit 8 to the First Amendment to Contract Number _____ is subject to and hereby incorporated into and made a part of the Contract for Services by and between the Indiana Family and Social Services Administration, Division of Family and Children, (“the State”), and, a Michigan Corporation (“_____”), pursuant and subject to the terms and conditions of the Contract, effective January 1, 2003 and the terms and conditions set forth herein, for Services between the parties resulting from BAA 01-52 (“Contract”) and Scope of Work document.

Business Objective and Scope

This Exhibit 8 to the First Amendment to Contract Number _____ sets explicit service requirements and expectations for _____ in its execution of certain services provided for under the Contract. This amendment also sets roles and responsibilities of _____ pursuant to providing services agreed upon.

Summary of Services

The HIPAA Remediation Services within this Exhibit 8 to the First Amendment to Contract Number _____ includes an enhancement to the current system and system software, as well as the creation and implementation of a defined, documented approach to electronically transmitting data for the Indiana First Steps Program. The approach is commonly called a “translation approach”. The translation approach ‘interprets’ non-compliant data and ‘translates’ it into HIPAA-compliant input/output. For incoming data, the translation approach ‘translates’ the incoming data and maps the data to a format that the current system can ‘read’ and understand. It reverses the process for outputs.

As part of the course of system investigation for modifications required for HIPAA compliance, _____ will supply a Detailed System design that will include a description of system changes including all data elements that are required to be HIPAA compliant that are not in the current First Steps subsystems.

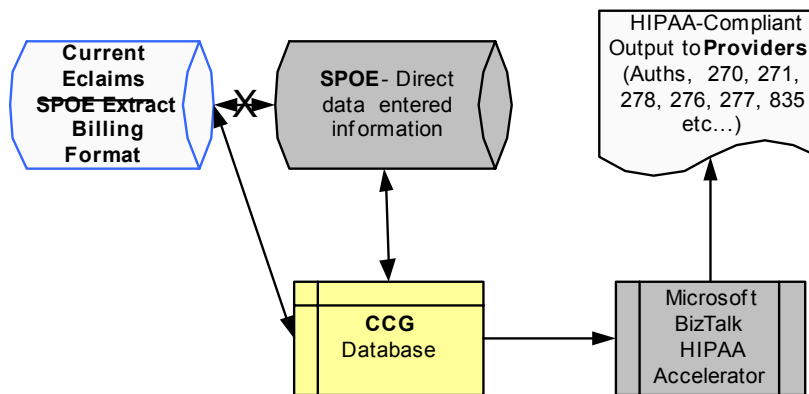
The HIPAA Remediation (translation approach) deliverables, when implemented, will affect Indiana First Steps subsystems in various ways. As a result of the HIPAA Remediation, the state will be able to meet requirements for the receipt and transmission of electronic transactions in HIPAA standard format:

- Health Care Claims (837)
- Eligibility for a Health Plan and Response (270/271) [if applicable]
- Referral Certification and Authorization (278) [if applicable]
- Health Care Claim Status and response (276/277) [if applicable]
- Enrollment and Disenrollment in a Health Plan (834) [if applicable]
- Health Care Payment and Remittance Advice (835)
- Coordination of Benefits (837/835) [if applicable]

The current system, after HIPAA Remediation, will be affected as follows as a result of the HIPAA Remediation:

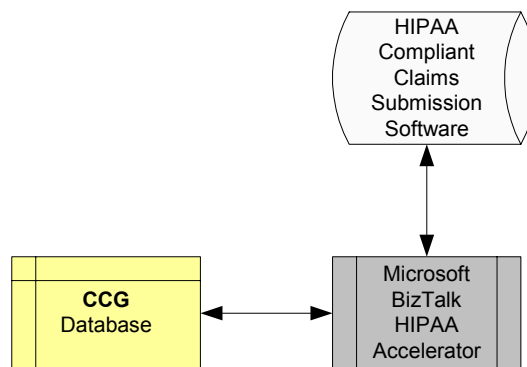
System Point of Entry (SPOE)

The SPOE software will not be included in the HIPAA Remediation. The ‘translation approach’ negates the possibility of the SPOE software performing any type of HIPAA translation with a 3rd party billing software. The following diagram illustrates the process.



E-Claims

The Claims System will accept any HIPAA-compliant transaction set and process it through the use of the Microsoft BizTalk HIPAA Accelerator software.



The method described above is the mechanism that allows any HIPAA-compliant software to submit electronic claims to Indiana First Steps.

Claims-Paper

The Claims System will use the accelerator/translator software to process and interact with data sources that are HIPAA compliant. Paper claims submissions completed by direct data entry will be completed on slightly modified software. These modifications are required because some required data elements of HIPAA are not currently utilized by the current system.

The Claims System Software – EiX – will be modified as a part of the HIPAA Remediation in order to encompass the HIPAA data elements. Training, by _____, for the Operational Center, will be provided as a result of the referenced modifications.

Paper-Daily Authorizations

The Daily Authorizations will be modified to contain data elements that are HIPAA-compliant. As a result of the modifications, Daily Authorizations will contain the data elements required for entry into HIPAA-compliant 3rd party Claims software. This ensures that providers using 3rd party billing software will have the information required for the software to generate HIPAA-Compliant claims that will not be rejected for missing elements by the CRO translator when submitted electronically.

Provider Enrollment

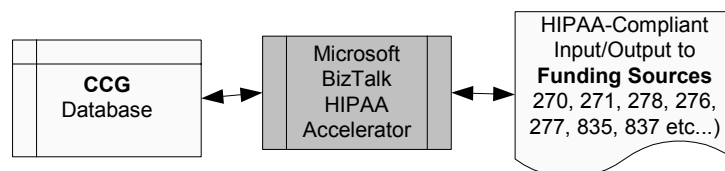
New Provider enrollment data requirements will need to be met for accurate Claims submissions to outside funding sources such as Medicaid and Insurance. Due to the new information requirements, _____ will collect additional data from existing Providers. _____ will review and revise enrollment forms and documents in order to collect this new information.

_____ will identify all data needs and collect the identified data in order for the state to meet HIPAA requirements.

The Provider Enrollment Software – EiX – will be modified to collect the data elements that are required by HIPAA. _____ will provide training sessions at the Operational Center.

Funding Sources

The Claims System will use a translator to process and interact with information exchanged with fund recovery entities such as Medicaid and Private Insurance. The picture below illustrates this activity:



All funding sources that the Indiana First Steps Program directly exchanges data with will need to receive and send data in HIPAA-compliant data content and format. The HIPAA accelerator/translator will enable this task to be accomplished.

Funding Reports

_____ will review and modify the funding reports currently received by the state as needed to ensure the use of a secure electronic transmission mechanism.

Service Matrix Web Site

_____ will provide HIPAA Remediation to the Service Matrix Web Site on an as needed basis once the applicability of HIPAA requirements for the Service Matrix Web Site are determined by the state.

Contracts and Memorandum of Understanding

_____ will examine any and all 3rd party business contracts – including insurance clearinghouse contracts – for the applicability of HIPAA considerations.

SPOE Operational Practices

_____ will not address any facet of SPOE Operational Practices.

State Reports – Miscellaneous

_____ will modify or cause to have modified the transfer mechanism(s), which transfers information to the State on a daily, monthly and quarterly basis from the _____ Operational Center to ensure that HIPAA requirements are met.

Privacy/Security

_____ acknowledges that at the time of the execution of this Contract Amendment that the Indiana First Steps Program complies with HIPAA Privacy requirements by being compliant with FERPA: "Family Education Rights and Privacy" 34 CFR Part 99. _____ does not agree to address additional specific modifications required to comply with final HIPAA Security standards, but does agree to maintain a secure system consistent with FERPA requirements.

Deliverable Submission, Review, Acceptance and Payment Process

_____ and the state will utilize a formal process for Submission, Review and Acceptance of project deliverables as related to the HIPAA Remediation Services. All HIPAA Remediation deliverables will be subject to this formal deliverable sign-off process. _____ utilizes this formal process to ensure deliverables are actually tracked and finalized in an appropriate timeframe. The approved deliverable will serve as the mechanism for _____ to invoice FSSA for the deliverable.

Utilizing the *Deliverable Submission and Review Form* _____ will submit deliverables for review and acceptance as they are completed. The FSSA Program Manager shall render a written decision, either acceptance or disapproval, as soon as possible, but no later than five business days after the submission of the deliverable. If, however, FSSA requires additional time beyond the five business day period, _____ will be notified accordingly. If FSSA requests additional time to review and approve the

deliverable, the original completion date may be adjusted accordingly, which may in turn impact the due dates of other deliverables and/or affect any penalties on this deliverable or future deliverables by making them null and void.

If the deliverable is determined to be acceptable the FSSA Program Manager will sign the Deliverable Submission and Review Form, and initiate the payment process if applicable.

If any deliverable is determined to be unacceptable, the FSSA Program Manager will note the issue(s) in writing on the *Deliverable Submission and Review* form, describing each of the deficiencies and citing the appropriate references to the deliverable. FSSA shall allow _____ a period of five business days from the date of receipt of the “Notice of Disapproval” to meet with the FSSA Program Manager to clarify any of the deficiencies described in the “Notice of Disapproval.” _____ will work to correct all identified deficiencies and submit the corrections. If _____ corrects all identified deficiencies or if deficiencies previously cited by FSSA are resolved without correction, FSSA’s response shall include a “Notice of Acceptance.”

If the “Notice of Disapproval” is not rendered or a request is not made for additional time by FSSA within five business days after the submission of the deliverable, the deliverable will be deemed accepted by FSSA.

FSSA will not withhold Acceptance for a Deliverable that is complete, meets either the Requirements Document or the Design Document Specifications and is consistent with prior approved Deliverables for the same System Enhancement. The Requirements or Design Document that is developed or approved by FSSA will indicate the appropriate FSSA staff for Acceptance of each Milestone for each System Enhancement and will serve as the measure from which to determine acceptance. .

Once scope is approved for enhancements, _____ will accept only scope changes that are documented and approved through the First Steps Steering Committee. Approved scope changes will require an impact analysis of the project schedule and plan, and a new milestone date may be determined.

Disputes concerning the completeness, correctness or timeliness of a Deliverable will be referred to the _____ Delivery Manager and the FSSA First Steps Project Manager and will be resolved through the escalation procedures as defined in the Master Service Level Agreement and ultimately, the “Disputes Clause” of the Contract.

SAMPLE DELIVERABLE SUBMISSION AND REVIEW FORM

DELIVERABLE SUBMISSION AND REVIEW FORM

Deliverable

Title: _____

Submitted By: _____ **Submission Date:** _____
_____ Project Manager

ACTION REQUESTED

- ☐ For Your Information
- ☐ For Written Comment
- ☐ For Preliminary Review
- ☐ For Final Acceptance (5 business day review cycle applies)

Comments:

APPROVAL

- ☐ Request Approved
- ☐ Request Denied

Comments:

Approved By: _____ **Date:** _____
FSSA Project Manager

FINAL APPROVAL GRANTED *(if previously Denied)*

Approved By: _____ **Date:** _____
FSSA Project Manager